

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 EA-06 CIAE-00 DODE-00 PM-03 H-01 INR-07

L-02 NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 /066 W

----- 098463

R 082220Z JAN 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC 3456

C O N F I D E N T I A L LIMA 0200

EO 11652: GDS

TAGS: ETRD, CH, PE

SUBJECT: REQUEST FOR UTILIZATION OF PRG CREDITS TO  
THIRD COUNTRIES

1. EMBASSY WOULD APPRECIATE ANY INFORMATION THE DEPARTMENT  
MAY HAVE ON THE EXTENT TO WHICH THIRD COUNTRIES, IN PARTI-  
CULAR LDC'S, HAVE UTILIZED CREDITS MADE AVAILABLE TO THEM  
BY THE PEOPLES REPUBLIC OF CHINA.

2. BACKGROUND OF MATTER IS AS FOLLOWS: IN NOVEMBER 1971,  
GOP AGREED TO ACCEPT 17 MILLION POUND STERLING LOAN  
FROM PRC. LOAN WAS TO BE IN COMMODITIES AND OTHER PRODUCTS,  
FREE OF INTEREST, 10 YEAR GRACE, 10 YEAR PAYMENT. SO FAR  
AS WE ARE AWARE, PERU HAS NOT UTILIZED THIS LINE OF CREDIT.  
MINISTRY OF FINANCE OFFICIAL RESPONSIBLE FOR APPROVING  
UTILIZATION OF THIS LOAN IS NOW UNDER FIRE FROM LEFT-  
ISTS IN MINISTRY ON THIS ACCOUNT. HIS POSITION IS NOT  
DOCTRINAIRE; CHINESE PRODUCTS AVAILABLE UNDER CREDIT  
LINE HAVE BEEN EXPENSIVE AND OF INFERIOR QUALITY AND  
HAVE NOT BEEN GOODS NEEDED BY PERU, AND HE HAS THEREFORE  
SO FAR BELIEVED IT TO BE CONTRARY TO PERU'S INTEREST TO  
DRAW ON THIS CREDIT. OFFICIAL HAS NOW ASKED US FOR ANY  
INFORMATION WE MAY BE IN A POSITION TO GIVE HIM AS TO  
UTILIZATION OF SUCH CHINESE CREDITS BY THIRD COUNTRIES.  
HE BELIEVED THAT IF THE RECORD SHOWS THAT OTHER COUN-  
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TRIES HAVE BEEN SIMILARLY SLOW TO USE PRC CREDITS, HIS

POSTION WILL BE STRENGTHENED.

3. OFFICIAL IN QUESTION IS EXCEPTIONALLY ABLE YOUNG OFFICIAL WHO HAS CONSISTENTLY BEEN HELPFUL TO AID AND EMBASSY. AND DATA WHICH THE DEPARTMENT MAY BE ABLE TO SUPPLY WHICH MAY BE CONVEYED TO HIM WOULD THEREFORE BE VERY MUCH APPRECIATED.  
BARNEBEY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LOANS, FOREIGN ASSISTANCE, FOREIGN POLICY POSITION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LIMA00200  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750008-0301  
**From:** LIMA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750170/aaaacjfk.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 11 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <11 SEP 2003 by WorrelSW>; APPROVED <03 NOV 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
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EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** REQUEST FOR UTILIZATION OF PRG CREDITS TO THIRD COUNTRIES  
**TAGS:** ETRD, CH, PE, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006